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| EXAMINER |
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FISCHER, ANDREW J

| ART UNIT | PAPER NUMBER |
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3627

DATE MAILED: 01/21/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/630,595

Applicant(s)

RAU ET AL.

Examiner

Andrew J. Fischer

Art Unit

3627

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☐ Responsive to communication(s) filed on 24 October 2003.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 26-40 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 26-40 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. §§ 119 and 120

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
* See the attached detailed Office action for a list of the certified copies not received.
- 13) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. § 119(e) (to a provisional application) since a specific reference was included in the first sentence of the specification or in an Application Data Sheet. 37 CFR 1.78.
a) ☐ The translation of the foreign language provisional application has been received.
- 14) ☐ Acknowledgment is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121 since a specific reference was included in the first sentence of the specification or in an Application Data Sheet. 37 CFR 1.78.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892) 4) ☐ Interview Summary (PTO-413) Paper No(s). _____
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948) 5) ☐ Notice of Informal Patent Application (PTO-152)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449) Paper No(s) _____ 6) ☐ Other: _____

DETAILED ACTION

Acknowledgments

1. Applicants' response filed June 5, 2003 (Paper No. 18) is acknowledged. Applicants' response was considered non-responsive (see Paper No. 20). Applicants' previous response filed October 24, 2003 (Paper No. 21) is also acknowledged. Accordingly, claims 26-40 remain pending.

Specification

1. The specification is objected to under 35 U.S.C. §132. The amendments to the specification contain new matter. Specifically, Applicants have now stated on page 2 of Paper No. 19 that there is an "authorization unit 118." First, this is in direct conflict with Applicants' originally filed specification which describes 118 as a "client workstation." Second, the Examiner has carefully reviewed the original specification and can not locate any discussion of a separate "authorization unit."

Drawings

2. The proposed drawing correction and/or the proposed substitute sheets of drawings, filed on June 5, 2003 (part of Paper No. 19) have not been approved because, inter alia, the "authorization unit" constitutes new matter. Applicant has also not disclosed the various elements within the account table. A proper drawing correction or corrected drawings are

required in reply to the Office action to avoid abandonment of the application. The correction to the drawings will not be held in abeyance.

Claim Rejections - 35 USC § 112 1st Paragraph

3. The following is a quotation of the first paragraph of 35 U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

4. Claims 26-40 are rejected under 35 U.S.C. 112, first paragraph, as containing subject matter which was not described in the specification in such a way as to reasonably convey to one skilled in the relevant art that the inventor(s), at the time the application was filed, had possession of the claimed invention.

a. Applicants' original filed specification does not disclose "receiving by a transponder server of at least one issuing bank ... at least some transponder information"

b. Moreover, Applicant's original specification does not disclose a separate "authorization unit" which determines authorization. Applicants' originally filed specification appears to have the POS terminal perform the authorization.

c. Finally, although account balance is disclosed, Applicants' original specification does not disclose what are the specific elements of account table 112.

Claim Rejections - 35 USC § 112 2nd Paragraph

5. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

6. Claims 26-40 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. Claims 26 is indefinite because the scope of the claim can not be ascertained because of the 35 U.S.C. 112, first paragraph rejections noted above. If the 35 U.S.C. 112, first paragraph rejections are overcome, this particular 35 U.S.C. 112, second paragraph rejection will be overcome.

Claim Rejections - 35 USC § 102

7. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless -

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

8. Claims 26-30 and 33-40, as understood, by the Examiner, are rejected under 35 U.S.C. 102(b) as being anticipated by Hennige (U.S. 6,276,311). Hennige discloses an ordinary credit card (e.g. VISA transaction) transaction including receiving by a transponder server of a credit network at least some transponder identification information (credit account number) emitted from a transponder (contacts 100 in a ordinary credit card) substantially upon presentation of both the transponder and a transaction for payment at a POS device, the payment comprises a payment amount (inherent in all payments); receiving (at the credit authorization agency) at least some financial account information (the account number transmitted from the merchant) linked to the

transponder identification information in an account table (the table includes account holder's name, billing address, available balance and credit, etc); determining authorization based on the payment amount (inherent since a credit card company would not authorize a \$40,000 purchase if the customer had only a \$10,000 available line of credit); communicating authorization to the POS device (approving or rejecting the credit purchase); paying the authorized payment amount to a merchant account associated with a merchant (the credit card company pays the merchant); issuing the transponder (credit card) to the holder of the account (the consumer); receiving the transponder identification information from multiple POS devices (inherent since the consumer can use his or her credit card at multiple POS devices); the account type is a credit card; the transponder is embedded in a transaction card (contacts 100 are embedded in the overall card); and registering the financial account information (activating the credit card) via a network registration interface (a telephone).

9. Claims 26-30 and 33-40, as understood, by the Examiner, are alternatively rejected under 35 U.S.C. 102(b) as being anticipated by Fernandes et. al. (U.S. 5,253,345) ("Fernandes").

Fernandes discloses an ordinary credit card transaction including receiving by a transponder server of a credit network at least some transponder identification information (credit account number) emitted from a transponder (magnetic stripe in a ordinary credit card such as a Visa card) substantially upon presentation of both the transponder and a transaction for payment at a POS device, the payment comprises a payment amount (inherent in all payments); receiving (at the credit authorization agency) at least some financial account information (the account number transmitted from the merchant) linked to the transponder identification information in an account

table (the table includes account holder's name, billing address, available balance and credit, etc); determining authorization based on the payment amount (inherent since a credit card company would not authorize a \$40,000 purchase if the customer had only a \$10,000 available line of credit); communicating authorization to the POS device (approving or rejecting the credit purchase); paying the authorized payment amount to a merchant account associated with a merchant (the credit card company pays the merchant); issuing the transponder (credit card) to the holder of the account (the consumer); receiving the transponder identification information from multiple POS devices (inherent since the consumer can use his or her credit card at multiple POS devices); the account type is a credit card; the transponder is embedded in a transaction card (the magnetic stripe is embedded in the overall card); and registering the financial account information (activating the credit card) via a network registration interface (a telephone).

Claim Rejections - 35 USC § 103

10. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) a patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

11. Claims 31 and 32, as understood by the Examiner, are rejected under 35 U.S.C. 103(a) as being unpatentable over Fernandes in view of Ruppert et. al. (U.S. 5,640,002) ("Ruppert").

Fernandes discloses as discussed above but does not directly disclose the card having RF

capabilities. Ruppert teaches a card having RF and infrared capability to communicate with a POS device. Therefore, it would have been obvious to one of ordinary skill in the art at the time the invention was made to modify Fernandes as taught by Ruppert and include RF capabilities for the card. Such a modification would have allowed the card to last longer since the magnetic strip would not wear out.

12. The Examiner again confirms that Applicants have decided not to be their own lexicographer by indicating and defining claim limitations to have meanings other than their ordinary and accustomed meanings. The heavy presumption in favor of the ordinary and accustomed meaning for claim terminology is again confirmed. Accordingly, the claims continue to be interpreted with their “broadest reasonable interpretation,” *In re Morris*, 127 F.3d 1048, 1054, 44 USPQ2d 1023, 1027 (Fed. Cir. 1997), and the Examiner continues to rely heavily and extensively on this interpretation. Applicants have not successfully rebutted this presumption.¹

13. To the extent that the Examiner’s interpretations are in dispute with Applicants’ interpretations, the Examiner hereby adopts the following definitions—under the broadest reasonable interpretation standard—in all his claim interpretations.² Moreover, while the following list is provided in accordance with *In re Morris*, the definitions are a guide to claim

¹ To support this conclusion, see Applicants’ responses to: the Office Action mailed May 16, 2002 (Paper No. 10, Paragraph No. 13; the Office Action mailed August 29, 2002 (Paper No. 12, Paragraph No. 12; and the Office Action mailed March 4, 2003 (Paper No. 17, Paragraph No. 13.

² While most definitions are cited because these terms are found in the claims, the Examiner may have provided additional definition(s) to help interpret words, phrases, or concepts found in the definitions themselves or in the prior art.

terminology since claim terms must be interpreted in context of the surrounding claim language.³

Finally, the following list is not intended to be exhaustive in any way:

- a. **Server:** “2. On the Internet or other network, a computer or program that responds to commands from a client.” Computer Dictionary, 3rd Edition, Microsoft Press, Redmond, WA, 1997.⁴ **Client:** “3. On a local area network or Internet, a computer that accesses shared network resources provided by another computer (called a *server*).” Id. **Computer:** “Any machine that does three things: accepts structured input, processes it according to prescribed rules, and produces the results as output.” Id.
- b. **Data** “Plural of the Latin *datum*, meaning an item of information. In practice, data is often used for the singular as well as plural the form of the noun.” Id.
- c. **Information** “ 2 a . . . (3): FACTS, DATA . . . ” Merriam-Webster’s Collegiate Dictionary, 10th Edition, Merriam-Webster Inc., Springfield, M.A., 1997.
- d. **Interface:** “1. The point at which a connection is made between two elements so that they can work with each other.” Computer Dictionary.

³ See e.g. *Brookhill-Wilk I LLC v. Intuitive Surgical Inc.*, 334 F.3d 1294, 1300, 67 USPQ2d 1132, 1137 (Fed. Cir. 2003) (abstract dictionary definitions are not alone determinative; “resort must always be made to the surrounding text of the claims in question”).

⁴ Based upon Applicants’ disclosure, the art of record, and the knowledge of one of ordinary skill in this art as determined by the factors discussed in MPEP §2141.03 (where practical), the Examiner finds that the *Microsoft Press Computer Dictionary* is an appropriate technical dictionary known to be used by one of ordinary skill in this art. See e.g. *Altiris Inc. v. Symantec Corp.*, 318 F.3d 1363, 1373, 65 USPQ2d 1865, 1872 (Fed. Cir. 2003) where the Federal Circuit used the *Microsoft Press Computer Dictionary* (3d ed.) as “a technical dictionary” to define the term “flag.” See also *In re Barr*, 444 F.2d 588, 170 USPQ 330 (CCPA 1971)(noting that its appropriate to use technical dictionaries in order to ascertain the meaning of a term of art) and MPEP §2173.05(a) titled “New Terminology.”

e. **Network**: “a group of computers and associated network devices that are connected by communications facilities.” Id.

f. **Table “2.** In relational databases, a data structure characterized by rows and columns, with data occupying or potentially occupying each cell formed by a row-column intersection. The table is the underlying structure of a relation.” Id.

g. **Transponder** “a device that responds to a physical or electrical stimulus and emits an electrical signal in response to the stimulus.” The Authoritative Dictionary of IEEE Standards Terms, 7th Ed., IEEE, Inc., New York, NY, 12/2000.

14. Regarding “transponder” in claim 26, the Examiner recognizes that dependent claims are not conclusive evidence of a particular claim interpretation. “While it is true that dependent claims can aid in interpreting the scope of claims from which they depend, they are only an aid to interpretation and are not conclusive. The dependent claim tail cannot wag the independent claim dog.” *North American Vaccine v. American Cyanamid Co.*, 7 F.3d 1571, 1577, 28 USPQ2d 1333, 1337 (Fed. Cir. 1993). However Applicants are also reminded that “there is presumed to be a difference in meaning and scope when different words or phrases are used in separate claims. To the extent that the absence of such difference in meaning and scope would make a claim superfluous, the doctrine of claim differentiation states the presumption that the difference between claims is significant.” *Toro Co. v. White Consolidated Industries, Inc.*, 199 F.3d 1295, 53 USPQ2d 1065, 1070 (Fed. Cir. 1999). See also *CAE Screenplates Inc. v. Heinrich Fielder GmbH & Co. KG*, 224 F.3d 1308, 1317, 55 USPQ2d 1804, 1810 (Fed. Cir. 2000) (“In the

absence of any evidence to the contrary, we must presume that the use of these different terms in the claims connotes different meanings.”).

Because Applicants recite a wireless interface in claim 31, the preceding claim from which it depends (claim 26) will not be considered to have a wireless interface. The Examiner therefore adopts the presumption that the difference is significant and that the structural features are different as well.

15. The Examiner again confirms that as noted in Paper No. 10, Species ‘A’ and Species ‘B’ are not patentably distinct. See Paper No. 10, Paragraph No. 2.

Response to Arguments

16. Applicants’ arguments with respect to the claims have been considered but are moot in view of the new grounds of rejection.

Conclusion

17. Applicants’ amendment necessitated the new grounds of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP §706.07(a). Applicants are reminded of the extension of time policy as set forth in 37 C.F.R. §1.136(a).

a shortened statutory period for reply to this final action is set to expire **THREE MONTHS** from the mailing date of this action. In the event a first reply is filed within **TWO MONTHS** of the mailing date of this final action and the advisory action is not mailed until after the end of the **THREE-MONTH** shortened statutory period, then the shortened statutory period

will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

18. The following two (2) citations to the Manual of Patent Examining Procedure (“MPEP”) apply to this Office Action: MPEP citations to Chapters 200, 700, 1800, and 2100 are from the MPEP 8th Edition, Rev 1, February 2003. All remaining MPEP citations are from MPEP 8th Edition, August 2001.

19. The prior art made of record considered pertinent to Applicants’ disclosure includes the following: Bailey (U.S. 6,157,824); Reeder (U.S. 6,014,636); Masuda (U.S. 5,777,306); Carlisle et. al. (U.S. 5,649,118); and Pitroda (U.S. 5,590,038).

20. Because this application is now final, Applicants are reminded of the USPTO’s after final practice as discussed in MPEP §714.12 and §714.13 and that entry of amendments after final is *not* a matter of right. “The refusal of an examiner to enter an amendment after final rejection of claims is a matter of discretion.” *In re Berger*, 279 F.3d 975, 984, 61 USPQ2d 1523, 1529 (Fed. Cir. 2002) (citations omitted). Furthermore, suggestions or examples of claim language provided by the Examiner are just that—suggestions or examples—and do not constitute a formal requirement mandated by the Examiner. Unless stated otherwise by an express indication that a claim is “allowed,” exemplary claim language provided by the Examiner to overcome a particular rejection or to change claim interpretation has *not been addressed* with respect to other aspects of patentability (e.g. §101 patentable subject matter, §112 1st paragraph written description and

enablement, §112 2nd paragraph indefiniteness, and §102 and §103 prior art). Therefore, any claim amendment submitted under 37 C.F.R. §1.116 that incorporates an Examiner suggestion or example or simply changes claim interpretation will nevertheless require further consideration and/or search and a patentability determination as noted above.

21. In accordance with *In re Lee*, 277 F.3d 1338, 1344-45, 61 USPQ2d 1430, 1434-35 (Fed. Cir. 2002), the Examiner finds that the references How Computers Work Millennium Ed. by Ron White; How Networks Work, Millennium Ed. by Frank J. Derfler et. al.; and How the Internet Works, Millennium Ed. by Preston Gralla are additional evidence of what is basic knowledge or common sense to one of ordinary skill in this art. Each reference is cited in its entirety. Moreover, because these three references are directed towards beginners (see *e.g.* “User Level Beginning . . .”), because of the references’ basic content (which is self-evident upon review of the references), and after further review of both the intrinsic evidence of record and the entire art now of record in conjunction with the factors as discussed in MPEP §2141.03 (where practical), the Examiner finds that these three references are primarily directed towards those of low skill in this art. Because these three references are directed towards those of low skill in this art, the Examiner finds that one of ordinary skill in this art must—at the very least—be aware of and understand the knowledge and information contained within these three references.

22. In accordance with the USPTO’s goals of customer service, compact prosecution, and reduction of cycle time, the Examiner has made every effort to clarify his position regarding claim interpretation and any rejections or objections in this application. Furthermore, the Examiner has again provided Applicants with notice—for due process purposes—of his position regarding his

factual determinations and legal conclusions. The Examiner notes and thanks Applicants for their "Remarks" (Paper No. 19, beginning on page 7) traversing the Examiner's positions on various points. If Applicants disagree with any additional factual determination or legal conclusion made by the Examiner in this Office Action whether expressly stated or implied⁵, the Examiner respectfully reminds Applicants to properly traverse the Examiner's position(s) in accordance with 37 C.F.R. §1.111(b) *in their next properly filed response*. By addressing these issues now, matters where the Examiner and Applicants agree can be eliminated allowing the Examiner and Applicants to focus on areas of disagreement (if any) with the goal towards allowance in the shortest possible time. If Applicants have *any* questions regarding the Examiner's positions or have other questions regarding this communication or even previous communications, Applicants are strongly encouraged to contact Examiner Andrew J. Fischer whose telephone number is (703) 305-0292. If attempts to reach the Examiner by telephone are unsuccessful, the Examiner's immediate supervisor, Robert Olszewski, can be reached at (703) 308-5183. The fax number for facsimile responses is now (703) 872-9306.



Andrew J. Fischer
Patent Examiner

ajf
January 12, 2004

⁵ E.g., if the Examiner rejected a claim under §103 with two references, although not directly stated, it is the Examiner's implied position that the references are analogous art.